

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Argentina

### Oilseeds and Products Update

### Lock-up Report

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**Report Highlights:**

Post has no changes to the current USDA production, supply and distribution numbers for oilseeds and products. Soybean planting for the 2010/2011 local marketing year is underway. Soil conditions are good and producers are reportedly planting at a faster rate than normal anticipating dry conditions in November, December and January due to La Niña weather pattern. Exports of soybean oil to China have resumed as the Argentine Government has reached an agreement with the Government of China to resume trade, which had been blocked since April.

**Post:**

Buenos Aires

**Commodities:**

Oilseed, Soybean (Local)

Meal, Soybean (Local)

Oil, Soybean (Local)

**Executive Summary:**

Post has no changes to the current USDA production, supply and distribution numbers for oilseeds and products. Soybean planting for the 2010/2011 local marketing year is underway. Soil conditions are good and producers are reportedly planting at a faster rate than normal anticipating dry conditions in November, December and January due to La Niña weather pattern. Exports of soybean oil to China have resumed as the Argentine Government has reached an agreement with the Government of China to resume trade, which had been blocked since April.

The Argentine Ministry of Agriculture is forecasting production for the soybean crop currently being planted at 52 MMT. Post is not at this time proposing changes in the USDA estimate of 50 MMT since we are expecting a small drop in area due to an increase in area for corn production whose prices have gone up and there is a need for rotation to manage soybean pests and add organic matter to the soil. Furthermore, there is decreased incentive for conversion of pasture to soybean production while cattle prices remain high. It is expected that weather conditions will not be as good this growing season as the unusually favorable growing conditions the previous year. Increased production of double crop soybeans, following wheat, is also expected to have some negative impact on average yields.